

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2383 - SB 2245

February 6, 2012

SUMMARY OF BILL: Restores one and one-half percent (1.50%) of certain TennCare rate reductions and eliminates the two dollar (\$2.00) co-payment that became effective January 1, 2012.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$6,308,100

Increase Federal Expenditures - \$12,373,100

A supplemental appropriation for FY11-12 in the amount of \$21,475,900 (\$7,251,800 state and \$14,224,100 federal) is included in the Governor's FY12-13 Proposed Budget.

Assumptions:

- The supplemental appropriation is part of the Unappropriated Budget Surplus as of June 30, 2011, totaling \$223,000,000.
- The total increase in additional funds appropriated in FY11-12 will be \$18,681,200 which includes \$6,308,100 in state funds at a rate of 33.767 percent and \$12,373,100 in federal funds at a match rate of 66.233 percent.
- The bill requires the following amounts of state funding be appropriated for FY11-12 to restore reductions that took effect January 1, 2012:
 - Nursing Homes: \$2,774,000
 - Managed Care Organization Administrative Rates: \$844,700
 - Transportation Providers: \$197,900
 - Lab and X-ray Services: \$591,600
 - Dental Services: \$370,600
 - ICF-MR Providers: \$253,300
 - Program of All-Inclusive Care of the Elderly (PACE): \$28,500
 - Home Health Providers: \$601,000
 - Elimination of \$2 Co-Payment for Non-Emergency Transportation: \$646,500
- The bill requires the following amounts of federal funds be appropriated for FY11-12:
 - Nursing Homes: \$5,441,100
 - Managed Care Organization Administrative Rates: \$1,656,900

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- Transportation Providers: \$388,200
- Lab and X-ray Services: \$1,160,400
- Dental Services: \$726,900
- ICF-MR Providers: \$496,800
- Program of All-Inclusive Care of the Elderly (PACE): \$55,900
- Home Health Providers: \$1,178,800
- Elimination of \$2 Co-Payment for Non-Emergency Transportation: \$1,268,100

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

/kml